Colonial Health & Rehab Center of Plainfield, LLC
"Family First"
16 Windsor Avenue, Plainfield, CT 06374 TEL. (860) 564-4081

February 16, 2023

Written testimony of Curtis Rodowicz, Administrator of Colonial Health and Rehab Center of Plainfield, LLC, "An Act Concerning Nursing Homes" – Raised Bill 989

Members of the Human Services Committee and Aging Committee. My name is Curtis Rodowicz and I am the 3rd Generation Co-Owner, and Administrator of a single 90 bed skilled nursing facility located in Plainfield, Connecticut. Colonial Health and Rehab Center of Plainfield, LLC has been providing nursing home care in our community for over 40 years. We have 113 employees working at our facility and they care each and every day for our residents with the upmost care and compassion. We write to you as we are NOT in support of SB 989.

The spirit of the bill is a focus on nursing home regulation reform, and I write to you primarily about the proposed increase in staffing levels for nursing facilities to the unreachable goal of 4.1 hours per patient day. Though Section 9's recommended increased staffing levels would likely improve outcomes and provide a better experience for residents in our center they are not possible to achieve in our current labor climate. No one would disagree that we would love to enhance skilled nursing services and provide increased staff to patient ratios. However, the language in this bill does not support "any" operational capability for the nursing homes and is nothing short of an "impossible" and "unfunded" government mandate.

The climate in our healthcare labor market can best be defined in one word as "disintegrating". Let me first state that we are a 4-star center overall and 4-star staffing with a CMS. We currently show a calculated Nursing PPD of 3.687 however, this is not the same calculation by definition as the proposed staffing in this bill. CMS includes RN Administration and CMS averages the hours reported over a fiscal quarter. It does not evaluate for any one day below a threshold. The proposed bill requires a minimum staffing of RN=.75, LPN=.54, and CNA=2.81 prescriptively to 4.1. For instance, our center runs CNA hours on average at 2.20 hours per patient per day. There is a .61

variance hours per patient per day from the proposed minimum to our current average. With an average census of 85 we are required to minimally add 51.85 hours per day as a bare minimum. By estimate it would cost an additional $662,000 just to add the CNA mandate to our current staffing pattern at our current rates and benefits and having absolutely no call outs. LPN and RN categories only amplify this funding shortfall as well as subtracting RN Administration from the total which further enhances the demand for more labor.

Even if the funding was provided, we cannot achieve the staffing levels required as the staff simply do not exist in the workforce. We continue to utilize temporary agency staff in record numbers which provides a continuity challenge in our facility as well as an insecurity when they do not show up. There is no accountability for agency staff other than having poor performers not return. We spent $14,244 in 2019 for all contract labor in RN, LPN, and CNA categories and in 2022 we spent an astronomical **$537,223.92** in temporary agency costs. We also increased advertising and spent $49,741 in 2022 for help wanted compared to $28,021 in 2019. We need staff now more than ever. Every competitor is offering something new or a new incentive. None of which they can afford but like us they have no other alternative. We hire and rehire the same staff. We circle like vulchers with other healthcare service organizations competing for the same staff that we hired only days or weeks ago. We run our own FREE CNA training program, which is not free. This added cost is necessary given the massive labor climate change. All that said, 4.1 is a non-starter and it is not for a lack of trying.

I currently have been participating in a joint effort as of January 30, 2023 with the Eastern Connecticut Healthcare Regional Sector Partnership. More specifically, I serve with other Industry Champions with the task of Improving Training (Quality, Quantity, and Access) to training. We are a group of healthcare providers (Hospitals, Nursing Homes, Home Care Agencies and other community partners sharing the same frustration and ongoing cycle of rehiring the same staff. It is a war zone for staff and there are sign on bonuses in excess of $10,000 offered routinely coupled with non-reimbursed Temporary Agency staff rates that will bankrupt every healthcare provider in the near future. Colonial is not alone in this tumultuous environment, and it boils down to a LACK OF A CONNECTICUT WORKFORCE. As an Administrator that is intimately involved with the day-to-day operations it is my obligation to inform you that money alone cannot solve this problem. While it may assist with current retention there is an inadequate workforce to serve our residents now and in the projected future.

You cannot increase direct care staffing regulations to a 4.1 for at minimum for some of the reasons listed below:

1) *Lack of CT Workforce (RN, LPN, CNA)*

In order to enforce any recommendation for a staffing level of 4.1 Connecticut has an obligation to ensure that it has a workforce available before such a drastic increase could even be considered. Have you conducted a needs assessment for these regulated positions? Have you forecasted enrollment and graduation rates? Are you on pace by 2024 to have a substantial CNA registry and licensed nursing staff available for work prior to implementation? Are you securing outsourced staff from other states? Are we relying on the military to provide this support? This legislation may be a picture of what you, our residents and I want and deserve. However, we certainly have no way to get there without a phase in waiver coupled with comprehensive financial resources not only packaged as wages at the end user level but also including incentives to cultivate the next generation of nursing.

CT Legislature's this is a comprehensive problem

2) *Lack of adequate enrollment in Nursing Schools*

In order to determine progress, we need an increased graduation rate in our state to even consider a waiver phase in scenario. Lack of funding and the high cost to educate a nurse deters enrollment. Inability for nurses to secure day care or pay for housing while being in classes causes our potential candidates to choose another field all together. What tuition programs have you created? What housing assistance have you provided for these individuals while they seek an education? What day care assistance have you created for these enrollee's to ensure that their child is cared for while they are entering the workforce? How many years will it take for you to develop, implement, and see the fruits of new initiatives?

CT Legislature's this is a comprehensive problem

3) *Lack of Schools and Seat Availability*

There are limited educational opportunities and schools available. The current infrastructure to train nurses is not prepared or scalable to handle current enrollment let alone the demand we have. The schools also have a lack of equipped educators. What new regional schools are opening? Are you re-evaluating instructor requirements and loosening restrictions? How many nurse seats graduate each year? Are they staying in Connecticut? How many more seats are you opening up and how

long will it take you to open them? Will you require years of service for tuition debt forgiveness?

CT Legislature's this is a comprehensive problem

4) *Punitive approach of state agencies makes nursing facilities stress level and culture non inviting.*

Licensed Nurses and Certified Nurse's Aides are stressed and not appreciated by our regulators. Whether a nice word or gesture in the news or a $1000 Hero Paycheck was handed to them it does not mean they respect our system. They get $100 and $200 bonuses routinely for picking up a vacant shifts. You have not bought them, and they are not loyal to you. They are loyal to their residents and if you continue to regulate providers into oblivion you will continue to see staff flock to agencies and travel out of state to work with regulator's that are more inviting and less stressful. You are losing nurses to surrounding states and losing them to completely different jobs.

CT Legislature's this is a comprehensive problem

5) *Lack of Prospective Funding*

DSS substantially underfunds facilities based on "ALLOWABLE COSTS" already. The Governor's budget proposal additionally does not provide inflationary cost increases at the minimum. Any mandated staffing, especially 4.1 direct care, would have to anticipate new rates of pay substantially above current rates and would cause record healthcare inflation as nursing staff can name their price, shift, hours, days, breaks, and even the wing they want to work. If you have no plan to build Connecticut's workforce before pushing this legislation through providers will begin to topple to mounting debt, punitive regulatory compliance, and civil money penalties until ultimate closure.

CT Legislature's this is a comprehensive problem

Make no mistake, the bill raised is a great vision for healthcare related to staffing. Mandating it instead of systematically building it will end with two vastly different outcomes.

Furthermore, there are several other legislative proposed changes in the bill that should not be supported and one that independently we do support.

Section 1&2 requires air conditioning systems to be installed by January 2025 for all resident rooms. While our center already has this feature there are few in the state that are not able to comply with this change. In some cases, the building is physically incapable of such an improvement without a full shut down of residential wings. This loss of revenue would cripple the facility. They will be forced to move off of a wing, or worse yet, out of a facility in order to comply with the deadline. Additionally, there will be bed occupancy loss shaking the already fragile financial state of these homes. This process will be financially crippling not to mention the cost report and rate setting implications for the unoccupied beds and an outdated "imputed days" calculation. Simply this is a far greater problem than simply installing AC units as the legislation proposes. While a loan option may be available for the cost of installation you must recognize the fragile financial state of our state's operators. One time ARPA funds is a better solution to cover the cost of the installation rather than saddling these homes with more debt. 4 nursing homes in Massachusetts are set to close due to a decision to reduce room occupancy from 3 to a max of 2 per room. How many facilities will Connecticut shutter with this proposed bill?

Section 3 requires notification to the State Ombudsman when an involuntary transfer or discharge occurs. The Connecticut General Assembly in the 2022 session expanded these protection under PA 22-57 PA-57 by requiring these notices be provided to the ombudsman. This provision is now codified under subsection (k) of Section 19a-535. Because these resident protections in the area of transfer and discharges are already in place, under both state and federal law, we are urging the committees to take no action on proposed S.B. No. 930 and Section 3 of proposed S.B. 989.

Section 4 provides an opportunity for a nursing facility to provide non ambulatory transport for residents to homes of family members. While the program is optional and is a grant opportunity, we oppose a new program when the state has, and continues to fail to provide adequate Non-Emergency Medical Transport, NEMT with its booking service VEYO. Any funding available for resident transportation should be used to fix the current transportation process, particularly to increase rates to the participating providers and addition of new fleets. VEYO has a blatant inadequacy of transport and has left our residents at closed office buildings that I personally have had to drive and bring the

resident back to the facility. Let's focus the grant funds into transportation for medical appointments, treatments, and surgeries before we spend money on a new benefit.

Section 5 addressed proposed changes to the waiting list for nursing home placement. We do not object to the changes if individually packaged from this bill.

Section 6 alludes to a less than transparent cost report filing. This can not be further from the truth. Facilities comply with current reporting requirements and are routinely transparent with any future funding requests as well as the enormous validations process for participating in funding enhancements that were not general increases. This bill also requires DSS to publish and compare a summary of average of expenditures. This is only going to cause increased confusion as providers have implemented or taken advantage of funding that other providers may have passed on. For instance, wage enhancements, Health Insurance enhancements, Retirement 401K or Pension enhancements to name a few. Providers individually assess their ability to participate in these programs and drawing comparisons that all centers should be the same is a public distortion of our nursing home sector. Our services are vastly different and our acuity in our centers requires different staff compliments and associated expenditures. Cost reports are provided when a base year is selected, the cost reports are fully audited by Myer's Stauffer and questioned extensively with providers. This is simply not necessary and is an undue administrative burden.

Section 7 Section 7 requires audited and certified financial statements of the owner. Audited and Certified financial statements are not currently required and would be an additional cost approximating $30,000 for our single facility. This is an exorbitant cost that currently is not in facility rates and would have a substantial fiscal impact. Audited and Certified financials is a comprehensive review and would require special funding rate increases to implement for all facilities.

Section 8 currently requires that related parties that receive $50,000 or more per year be reported on the annual report. The change requested is to decrease the related party reporting to any amount of income for goods. The previously established threshold was created for good cause and if anything, the amount should be increased since its inception date to account for record inflation, not decreased. There are small transactions that

benefit the facility as allowable costs as often times a related party is a providing a good or services for less than or equal to market value. To provide transparency any related party reported amount is immediately reviewed by the community and legislatures with a negative assumption. This amount reported should be compared to an industry average cost of the good or service and if below an average cost the provider should not be required to report the amount as it is a tedious, time consuming, and trivial administrative burden with the annual report filing which should not be subject to reporting penalties.

On behalf of everyone at Colonial Health and Rehab, thank you and I would be happy to answer any questions you may have.

Sincerely,

Curtis Rodowicz
Administrator
(860) 564-4081 Ext 309